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## Guidance for operators of stretch limousines

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### Introduction

This Guidance tries to answer basic questions to assist owners and operators of stretched limousines.

It is only intended for general help; it is not a legal document. For details of the law you will need to refer to the relevant legislation.

Operations for hire, or any sort of payment will require some form of licence, for use either as a public service vehicle or as a private hire vehicle, depending on the type of vehicle and the way it is used. Public service vehicle operators' licences apply across Great Britain and are issued by the Traffic Commissioners. Licences for private hire vehicles are issued by local authorities in England and Wales, but this does not apply in Scotland as the legal framework is different. Section 4 explains which type of licence is needed and where to obtain more information about the licensing requirements.

Further information on specific aspects of the law can be found in the documents listed in this Guidance. If after considering the additional documents you are still unsure about any aspect of the law you may wish to consider seeking independent legal advice.

## **1. How do I register my Limousine for use on the road in Great Britain?**

If you buy a brand new vehicle in Great Britain (GB) the dealer will usually arrange for it to be registered for you. Further information can be obtained from the Direct.Gov website, Motoring section:

<http://www.direct.gov.uk/Motoring/BuyingAndSellingAVehicle/RegisteringAVehicle/fs/en>

A vehicle imported into GB for use on the public road must be licensed and registered immediately after arrival. Information on the procedures for importing, licensing and registering vehicles purchased outside Great Britain can be found on the website above under "Registering an Imported vehicle".

The vast majority of Limousines imported in to GB are exported from the USA. Legislation governing the construction and use of vehicles is significantly different in America and therefore the vehicles will need modifications (significant modifications in the case of larger vehicles) before being compliant with GB requirements.

### **Limousines with up to 8 passenger seats**

Smaller limousines, those with up to 8 passenger seats, will in almost all cases, not be type approved to British or European standards and thus will need to undergo the Single Vehicle Approval (SVA) scheme. The SVA scheme is a pre-registration inspection for cars and light goods vehicles that have not been type-approved to British or European standards. The main purpose of the scheme is to ensure that these vehicles have been designed and constructed to modern safety and environmental standards before they can be used on public roads.

### **Limousines where the number of passenger seats is around 8-10 but is hard to determine.**

The SVA scheme can only be used to approve passenger cars seating up to 8 passengers plus the driver. In some cases it was difficult to determine the exact number of seats because, for example, the vehicle has long bench seats. In those cases, the Vehicle and Operator Services Agency (VOSA) was prepared to

accept a declaration from the applicant for SVA that the seating capacity does not exceed 8 passengers, and that the applicant will undertake to inform any other person that may use the vehicle of that limitation. These vehicles were then registered with a passenger seating capacity of 8. From summer 2008 this will no longer be possible.

## **Limousines with more than 8 passenger seats.**

Larger limousines are not suitable for the SVA scheme. Currently the system for registering large limousines is essentially based on self-declaration that the vehicle is compliant with British laws. The Driver and Vehicle Licensing Agency (DVLA) will accept a COIF (Certificate of Initial Fitness) as confirming that the vehicle complies with GB construction standards, or if a COIF is not available they may request that the vehicle is checked to ensure that it meets GB construction standards. From summer 2008, it is expected that all limousines submitted for registration without a COIF will have to be inspected by VOSA for compliance with GB construction standards before they can be registered with DVLA.

There are very few limousine types that are currently compliant with COIF, which is an inspection carried out by VOSA to check that a vehicle with more than 8 passenger seats complies with GB construction requirements, and is a requirement for a limousine used for carrying paying passengers.

The Department is aware that vehicles not complying with GB construction regulations have been registered and is taking steps to prevent this. For most of these vehicles it will be expensive to convert them so that they comply.

## **2. Can I convert a car that is already registered into a Limousine, by stretching it?**

It is possible to take a car which is already registered with DVLA and convert it into a Limousine, using reputable coachbuilders here or in the USA. Once the vehicle has been converted you are legally required to notify DVLA of the changes, since the identity of the vehicle may be brought into question. It is possible that the passenger capacity or the taxation class of the vehicle would have changed, so the V5 registration document would no longer be valid. A future buyer of the vehicle will be suspicious if the vehicle in front of him/her is not as described on the V5.

If a vehicle or its chassis has been cut in half and extended, the vehicle would need to be inspected by DVLA and would be assessed as being in one of two categories, either as radically altered from its original specification, or, if a kit of new parts has been used in the build, as a kit conversion. The registration number will change because this is not the same vehicle as that described on the vehicle records and it would be misleading to retain the original registration number when the vehicle has undergone such major modifications.

DVLA issues a guide to the registration of rebuilt, radically altered and kit converted vehicles, in the form of an information leaflet INF 26, which is available from DVLA Local Offices. Information is also available on [www.direct.gov.uk](http://www.direct.gov.uk). You will be required to show receipts, build plans and photographs of the build if you are applying for kit conversion status.

DVLA advises that before modifying a vehicle which has a cherished registration mark, the vehicle keeper may wish to consider securing the mark, which may be lost if the vehicle's identity is changed.

If, following modification, the identity of the vehicle is changed then evidence of type approval will be required in order to register the vehicle. This will normally be SVA. However, if the number of passenger seats now exceeds 8 then the vehicle is not normally subject to SVA, but should be submitted to VOSA for "COIF" (Certificate of Initial Fitness) certification if it is to be used for hire and reward, as most limousines are.

## **Evidence required before undergoing SVA.**

Before a converter submits his vehicle to VOSA for SVA inspection, he will have to provide evidence to demonstrate the modified vehicle's capability to operate at weights higher than the original vehicle's maximum gross weight, if this will be exceeded when the vehicle is full of passengers. Key components such as the axles, suspension and brakes may have to be upgraded to take the extra weight of the converted vehicle, compared to the original base vehicle.

## **More information**

For further information on registering a rebuilt, radically altered or kit converted vehicle, see the following link on the Direct.gov website:

[http://www.direct.gov.uk/Motoring/BuyingAndSellingAVehicle/RegisteringAVehicle/RegisteringAVehicleArticles/fs/en?CONTENT\\_ID=10014246&chk=VsQ/Fs](http://www.direct.gov.uk/Motoring/BuyingAndSellingAVehicle/RegisteringAVehicle/RegisteringAVehicleArticles/fs/en?CONTENT_ID=10014246&chk=VsQ/Fs)

## **3. Can I use my Limousine to carry fare-paying passengers?**

Theoretically yes, but you will need some form of operator's licence.

Virtually any motor vehicle used in Great Britain to carry passengers for hire / hire or reward on a commercial basis needs a licence of some kind. The type of licence required depends upon on the capacity of the vehicle and the type of operation undertaken.

## **Operating hire or reward services without the requisite operator's licence is a criminal offence.**

Hire or reward is any sort of payment which gives a person a right to be carried on a vehicle regardless of whether a profit is made or not. The payment may be made by the person himself, or on his behalf. It may be a direct payment (such as a fare, hire charge or other payment made directly in respect of the journey) or an indirect payment (such as a membership subscription to a club, payment for a bed in a hotel or payment for concert tickets).

## **4. What type of Operators licence do I need?**

For vehicles constructed or adapted to carry more than 8 passengers, the licence required is a public service vehicle (PSV) operator's licence issued by the Traffic Commissioner.

For vehicles adapted to carry 8 passengers or fewer, it is either:

(a) a private hire vehicle (PHV) licence if the vehicle is hired out, with a driver, as a whole (ie: an exclusive hiring). In England and Wales these licences are administered by the relevant local authority or Transport for London (TfL) who have discretion as to what vehicles they will license. The situation is similar in Scotland with the Scottish Executive having legislative responsibility.

(b) a PSV operator's licence if the vehicle is used for carrying passengers at separate fares in the course of a business of carrying passengers, once again issued by the Traffic Commissioner. This type of operation is known as a small PSV.

Information on the PSV operator licensing regime is contained in the guidance booklet PSV437 which can be obtained from any of VOSA's traffic area offices (for address and contact details see appendix 1) or can be accessed on the VOSA website ([www.vosa.gov.uk](http://www.vosa.gov.uk)).

In England and Wales, information on the local private hire vehicle requirements can be obtained from your local licensing authority (district/borough councils, unitary authorities or TfL). Given that most operations are likely to be exclusive hirings the vast majority of Limousine operations will fall within the requirements of the PHV operator regime.

If you need further information about the operation in Scotland of small passenger-carrying vehicles (with 8 or fewer passenger seats) ask the Scottish Traffic Area for a copy of the note 'Licensing of Small Passenger Carrying Vehicles'.

You will also need to ensure that you have the appropriate vehicle and operator insurance for your operation. Operating without valid vehicle insurance could result in your vehicle being impounded.

## **5. What can I do if my local authority will not license my vehicle as a PHV?**

Each local licensing authority in England and Wales may decide which vehicles are suitable for licensing as PHVs in their area. Accordingly, it is for each licensing authority to decide for its area whether they wish to license stretched limousines as PHVs, taking into account local circumstances. It is important to note that vehicles can only be licensed as PHVs if they have fewer than 9 passenger seats.

The Department for Transport has issued best practice guidance to local licensing authorities in England and Wales on the licensing of taxis and PHVs. That guidance encourages local authorities to consider the licensing of limousines on a case by case basis and not to impose a blanket ban on the type of vehicle.

The licensing process allows for would-be licence holders, who are refused a licence on the grounds that a vehicle is unsuitable to be licensed as a PHV, to appeal against the authority's decision in the local magistrates' court.

## **6. Are there any exceptions to the requirement to license as a PHV operator?**

If vehicles with up to 8 passenger seats, including stretched limousines, are used solely for weddings and/or funerals, they are exempt from PHV licensing requirements.

## **7. Are there any conditions placed on the operators of Small PSVs?**

When granting an application for a Small PSV licence to the operator of a stretch limousine the Traffic Commissioner may attach a standard set of conditions to the licence. The conditions generally imposed for limousine operators are:

- When using a stretch limousine under a PSV licence the vehicle will not carry more than 8 passengers.
- Passengers must be carried at separate fares (see below).
- If any journey is less than 15 miles measured in a straight line, then it must be registered as a local service with the Traffic Commissioner prior to its operation.
- The registration numbers of all vehicles which are used under the PSV operator's licence are to be logged with the Traffic Commissioner within seven days of their acquisition. If a vehicle is no longer used under the PSV licence that fact must also be notified to the Traffic Commissioner within seven days of its cessation.
- Before being used under a PSV licence stretch limousines must pass a Single Vehicle Approval test and hold a relevant annual test certificate.

## **8. What is a separate fare?**

If a limousine is licensed as a small PSV, (carrying 8 or less passengers), **separate fares** must be charged. The term "separate fares" is not defined in legislation. However, we believe it represents a charge made directly or indirectly to each passenger for carriage which is unaffected by the number of fare payers. This is the way fares are often structured, for example, on a local bus service. Subject to any concessions that the operator may give, each passenger pays the same fare for the same journey, regardless of how many other passengers on the bus wish to make that journey.

## **9. Must I always charge separate fares if I operate as a small PSV?**

In most cases the answer is yes, otherwise you will be operating as a PHV and will need to be licensed accordingly.

There is one exception to the requirement for separate fares to be charged. "Big bus" operators (ie those operating vehicles with 9 or more passenger seats) can run small PSVs for some private hire work, provided the operation of these vehicles represents a small part of their overall business. What constitutes

âa small partâ is also not defined in legislation, and ultimately, final decisions on where the balance lies is a matter for the courts. The legislation confers the exemption on an operator whose use of small vehicles is only a small part of his business.

The *relative size* of the fleet of large and small buses is obviously very relevant and as a *rule of thumb* we believe that if less than 10% of the overall fleet licensed under a single PSV Operatorâs Licence are small vehicles the exemption will apply (e.g. a fleet of, say, 20 buses with 9 or more passenger seats could run 2 additional vehicles - which could be stretched limousines that carry 8 or less passengers - for private hire work). But because the legislation refers to the size of the small and large bus business other factors (such as mileage run) should be taken into account. We would hope that in most cases it would be obvious what was and what was not, to coin a phrase, a âlarge bus businessâ.

You will need to make the Traffic Commissioner aware if you are a big bus operator wishing to run stretch limousines, so that the standard conditions attached to the PSV licence can be reconsidered.

## **10. Can I use the limousine to carry more than 8 passengers?**

Only if you have a PSV operator licence that allows for that. In order to obtain such a licence you will need to prove that your vehicle complies with legally required safety standards. In order to prove this, your vehicle will need to have a Certificate of Initial Fitness (COIF) issued by VOSA.

However, most limousines imported from the USA cannot obtain such a certificate because they do not comply with GB construction and use regulations. In particular, the regulations require any passenger vehicle carrying more than eight people to have exits big enough to get passengers out quickly in the event of an emergency. Many limousines do not comply with this requirement. In addition, the regulations require European-approved lamps, mirrors, tyres, seat belts and glass, which are not present on American vehicles, and the regulations on turning circle are not met by most stretched American vehicles.

If your vehicle is able to comply with the safety standards, guidance on obtaining a PSV licence is available in the booklet PSV 437. The guidance provides details of the type of services that you may provide using such a licence but you will also need to consider the impact of the drivers' hours and driver licensing requirements for PSV vehicles. Guidance on drivers hours is available in the document PSV 375 (also available from VOSA) and driver licence information is available from DVLA ([www.dvla.gov.uk](http://www.dvla.gov.uk) or tel: 0870 240 0009).

## **11. What type of service can I operate with a small PSV?**

You can operate either a local service (standard or flexibly routed) or operate excursions and tours.

Note: you cannot do any work which needs a PHV licence without the required licence.

Also, there are restrictions on the carriage of alcohol on vehicles used to take passengers to certain sporting events.

Further information on the operation of PSV vehicles can be found in the guidance document PSV 437 and information on local services can be found in PSV353A (local service registrations) and PSV358A (flexible local bus service registrations) from either the Traffic Area Offices or via the VOSA website.

## **12. What is a local service?**

It is a bus service using Public Service Vehicles (PSVs) to carry passengers at separate fares over short distances. The route can be of any overall length, as long as throughout

its length passengers can get off within 24.15 kms (15 miles) (measured in a straight line) of the place where they were picked up. Local services must be registered with the Traffic Commissioner.

The legislation specifying what service particulars must be registered with the Traffic Commissioner for a local service imposes different requirements according to whether the service in question is a 'standard service' (ie a conventional registered local service) or a 'flexible service'. Further information on the description and operation of local services are contained in the guidance notes mentioned in the previous section.

## **13. Are excursions and tours local bus services?**

On an excursion or tour all the passengers must travel together to the same place or places and then return together to the place where they got on. (They need not get on at exactly the same place.)

Excursions and tours only need to be registered with the traffic commissioner as a local service if all three of the following points are met:

- separate fares are paid;
- the whole journey is within a 15 mile radius of the starting point;
- they run one or more times a week for at least 6 weeks in a row.

It is accepted that most limousine operators running a small PSV taking ad hoc bookings will not need to register all of their likely journeys as local services because of the final point above. However, if you are not sure how long or how often the service will run you should register it to be on the safe side.

Any excursion or tour which is a local bus service and has a stop in London must also have a London service permit. Again you should contact Transport for London for details.

## **Appendix 1: VOSA Traffic Area Offices**

All correspondence should be addressed to the Clerk to the Traffic Commissioner

<p><b>North Eastern</b></p> <p>Hillcrest House 386 Harehills Lane Leeds LS9 6NF</p> <p>Telephone: 0870 606 0440 Fax: 0113 249 8142</p>	<p><b>North Western</b></p> <p>Hillcrest House 386 Harehills Lane Leeds LS9 6NF</p> <p>Telephone: 0870 606 0440 Fax: 0113 249 8142</p>
<p><b>West Midland</b></p> <p>38 George Road, Edgbaston, Birmingham B15 1PL</p> <p>Telephone: 0870 606 0440 Fax: 0121 456 4250 (Lic) 0121 456 3513 (Comp)</p>	<p><b>Eastern</b></p> <p>City House 126-130 Hills Road Cambridge CB2 1NP</p> <p>Telephone: 0870 606 0440 Fax: 01223 309 684 (Lic) 01223 309 681 (Comp)</p>
<p><b>Western</b></p> <p>2 Rivergate Temple Quay Bristol BS1 6EH</p> <p>Telephone: 0870 606 0440 Fax: 0117 929 8352</p>	<p><b>South Eastern and Metropolitan</b></p> <p>Ivy House 3 Ivy Terrace Eastbourne BN21 4QT</p> <p>Telephone: 0870 606 0440 Fax: 01323 726 679</p>
<p><b>Scottish</b></p> <p>J Floor Argyle House 3 Lady Lawson Street Edinburgh EH3 9SE</p> <p>Telephone: 0870 606 0440 Fax: 0131 229 0682</p>	<p><b>Welsh</b></p> <p>38 George Road, Edgbaston, Birmingham B15 1PL</p> <p>Telephone: 0870 606 0440 Fax: 0121 456 4250 (Lic) 0121 456 3513 (Comp)</p>